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USDOC FOR 532/OEA/MHAMES/LRITTER  
USDOC FOR 3150/USFCS/OIO/CEENIS/MCOSTA  
USDOC FOR 532/OEE/MO'BRIEN

E.O. 12958: N/A

TAGS: [BEXP](#) [ETRD](#) [ETTC](#) [RS](#)

SUBJECT: EXTRANCHECK: PRE-LICENSE CHECK: JSC  
SREDNEURALSKY COPPER SMELTER PLANT, SVERDLOVSK REGION,  
REVDA, RUSSIA, LICENSE NO. D370038

REFTEL: USDOC 00698

¶1. Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.

¶2. Reftel requested a Pre-license check to determine the legitimacy and reliability of the end-user, JSC Sredneuralsky Copper Smelter Plant, Sverdlovsk Region, Revda, Russia. The company is listed on BIS license application D370038 as the ultimate consignee of alloy butterfly valves, alloy plug valves. These items are controlled for foreign policy reasons under ECCN 2B350. The licensee is Xomox Corporation, 4444 Cooper Road, Cincinnati, OH 45242.

¶3. On March 22, 2007, Export Control Attache Donald Pearce and FSN Natalya Shipitsina conducted the requested pre-license check at the offices of JSC Sredneuralsky Copper Smelter Plant (Russian acronym SUMZ), Sverdlovsk Region, Revda, Russia. The export control team met with Nikolay Bulychiev, Chief of External Trade Affairs department.

¶4. SUMZ was founded in 1940 to smelt copper from local stocks of recycled copper products and from raw stock transported from mines. Today the plant is still mainly involved in the processing of copper, and also produces sulfuric acid for industrial use and a variety of sodium phosphates, derived from the copper smelting process. SUMZ is an independent company affiliated with the Urals Mountains Copper Company, a holding company affiliated with over 20 mines and processing facilities throughout the Urals. SUMZ employs 4500 at its large factory complex located approximately 7 km from the town of Revda. NOTE: Further information in English is available on the Internet at <http://www.sumz.umn.ru/eng/index.htm> END NOTE.

¶5. The valves in reftel will be used in the third phase of reconstruction of the sulfuric acid processing plant. Canadian industrial engineering firm SNC-Lavalin is the principal contractor, and recommended the use of the Oxmox valves in reftel. The production of sulfuric acid requires high-quality valves. The current facility is utilizing valves of similar design, some over fifty years old. New valves will increase safety and efficiency in the plant. These processes reduce hazardous waste, and redirect otherwise harmful substances from landfills.

¶6. The SUMZ facilities are protected by a company operated security service, with armed guards, electronic surveillance systems, and canine patrols. A 3-meter (10 feet) high fence with manned security checkpoints at the gates surrounds the perimeter of the plant. Vehicles must have the appropriate access pass, and all vehicles entering and exiting are searched.

¶7. Recommendations: Post recommends JSC Sredneuralsky Copper Smelter Plant, Sverdlovsk Region, Revda, Russia, as reliable recipients of sensitive U.S. origin commodities. It is requested that post be notified of final disposition of the application, and of any shipments for this organization in order to conduct appropriate FCS follow-up and statistical reporting.

(FCS MOSCOW/SBOZEK/DPEARCE)

BURNS